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SUBJECT: CHECHNYA COUNTERTERRORISM OPERATION ENDS: CHANGES

COSMETIC, FUTURE UNCLEAR

Classified By: Political Minister Counselor Alice Wells; reasons 1.4(b/d).

11. (C) Summary: Consensus across the spectrum of Chechnya observers is that the Kremlin's decision to end its counterterrorism operation in Chechnya has the potential to bolster the republic's economy, but will otherwise effect little change. The opening of the Groznyy airport to international traffic would facilitate trade between Chechnya, Turkey, and Middle Eastern countries with sizable Chechen diasporas. But a substantial federal force will remain in place; Chechen President Kadyrov's security forces will likely take up where federal troops leave off concerning human rights violations; and inequality and poverty will persist. If Chechens are to enjoy any regime liberalization it will likely arrive only gradually over a long-period of time via increased regional economic intercourse. The clear benefactor from this announcement has been Kadyrov, who is now unrivaled within Chechnya and also strengthened vis-a-vis Moscow. The center, though, has a chance to emphasize soft power in regional relations. End Summary.

End to Operations: Hopeful Relief

- 12. (C) According to press reports and contacts on the ground in the North Caucasus, Chechens greeted Moscow's April 16 announcement of an end to the decade-old Russian federal counterterrorism operation (KTO) in their republic with joy. The reality of the cancellation of Boris Yeltsin's 1999 decree, which saw thousands of police and special service units from other Russian regions sent to patrol Chechen cities and villages, will likely disappoint, however. Some media have reported that federal forces the 42nd Motorized Infantry Division and an Interior Forces brigade -- will remain in Chechnya, ostensibly to protect Russia's southern frontier. Law enforcement posts along the internal border with Ingushetia, which make crossing between republics like crossing an international border, will also remain. Even the KTO itself may remain in effect in some especially restive districts in Chechnya's mountains and along its southern border with Dagestan.
- 13. (SBU) Analysts of all stripes described the anticipated security force withdrawal as having little to no effect on the overall level of repression in Chechnya, where people have endured years of curfews, roadblocks, spot searches, and detentions. "No war can be considered to be over until all war criminals guilty of the deaths of tens and hundreds of thousands of innocent civilians are brought to justice in accordance with the norms and principals of international law," declared Akhmed Zakaev, chairman of the Chechen government-in-exile, in a press release. Those sentiments were echoed April 17 by Amnesty International, which called for full accountability for the gross human rights violations of the last 10 years. Human Rights Watch researcher Tatiana Lokshina told the press, "This decision to lift the state of emergency has purely symbolic significance for the population

of Chechnya. Today human rights abuses are committed by (pro-Moscow) Chechens rather than Russian security forces, but the atmosphere of impunity is the same."

14. (C) Russian and international aid workers in Chechnya welcomed the possibility of freer movement in the region, which in the long run could reduce administrative costs as rules change to ease travel to and within the republic. "Such a shift may give us more flexibility in our travels and more privacy for our meetings with beneficiaries," the head of UNHCR's North Caucasus Office told us. But, she noted, the short term could bring greater risks, as rebels test the Chechen government and clans see openings for vigilantism. United Nations, International Committee of the Red Cross, and NGOs may now need to finance their own mission security (including guards and escort vehicles previously provided by federal forces escorting foreigners), thus upping their operating expenses.

## If the Tide Rises, Will it Lift All Boats?

15. (C) One possible positive consequence of the KTO lifting could be improvement of the local economy, as "Kommersant" North Caucasus correspondent Musa Muradov, an ethnic Chechen, affirmed to us April 21. The economic crisis has made the massive infusions of federal funding harder to sustain. By annulling President Yeltsin's 1999 decree that closed off access to foreign markets and permitting Chechnya to open up to the outside world, Moscow intends to transfer greater economic responsibility to Groznyy. The high cost of maintaining a large federal military presence in Chechnya in

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an "emergency situation" also contributed to decisions to curtail the operation, observed "Vremya Novostey" journalist Ivan Surkhov. The KTO cancellation will also free up funding for other more relevant actions, including military reform. As Chechen Minister of Economic Development and Trade Abdula Magaomadov said April 16, completion of the counterterrorism operation ought to enhance the republic's investment attractiveness and step up foreign economic activity, thus creating new jobs, helping develop small and medium businesses, and increasing tax revenues. Just a day after the end to KTO was announced, it was reported that Chechen authorities, who have already built a customs post, hope to reinstate Groznyy Airport's international status and begin flights to Kazakhstan, Turkey, and Arab countries with substantial Chechen diasporas.

16. (C) That said, the hoped-for local improvements expected from the end of the operations depend on sustained revenue flows from the center. While it is not expected that the 1992 Yeltsin-Dudayev agreement, which channeled some actual oil profits and a share of transit fees to accounts in Groznyy will again prevail, the lure of those revenue sources, as well as interest in obtaining control over potential additional deposits under Chechnya not already under the control of Rosneft, will make for intriguing discussions between local and national officials. Still, the relatively poor state of the economy and disparities between business interests with connections to local and national political figures, especially Kadyrov, and average Chechens, reinforces the view that not much will change. Caucasian Knot Editor-in-Chief Grisha Shvedov told us April 22 that increased economic links with neighboring republics and even countries will result in minimal benefit for Chechens. The KTO may be over, but corrupt local officials and businessmen remain in control and in positions of influence over the material well-being of the population.

Does Move from Spotlight Mean Greater Abuses Likely?

17. (C) Of greater concern has been the worry that the withdrawal of large numbers of Russian troops will upset any

balance that had existed between Chechen President Ramzan Kadyrov's loyalist henchmen and the federal forces answering to Prime Minister Putin, seen as Kadyrov's patron. Chechnya is considered by more and more Russians to have become, de facto, independent, with Kadyrov as its strongman. What is of greater interest to local and national human rights groups is how the 32-year-old Kadyrov will now rule and whether he will continue to impose what many consider to be a regressive social and cultural vision on Chechens. Kadyrov has already imposed some Islamic rules of dress on women working in government offices and attending public universities, in possible violation of Russia's constitution, and recently he has praised polygamy and condoned honor killings. In light of these conditions, Chechen exiles, including many of the nation's best and brightest, are - contrary to Kadyrov's April 16 assertion - highly unlikely to repatriate. More than anything, explained Muradov, given the continuing economic hardships of Chechnya, few opposition figures living outside Chechnya will return, preferring to criticize from afar while also enjoying a better lifestyle.

18. (C) Muradov downplayed the social changes a strengthened, more conservatively-inclined Kadyrov might seek to impose on Chechen society, arguing he was only responding to conservative public opinion in Chechnya, trying to outflank those, including some who had supported armed resistance. Thus, even with the end to operations and gradual withdrawal of federal forces, Muradov said he anticipated little change. All of this, experts contend, points to Kadyrov as the clear winner from the decision. Having systematically eliminated opposition to his rule within Chechnya and overseas, Kadyrov faces only scattered bands of mountain fighters motivated by religious fervor rather than a desire for Chechen independence. According to Muradov, the president has successfully minimized Chechen popular support for those groups by himself demonstrating his personal commitment to Islam.

Lessons for Chechens, Regional Leaders and Moscow?

19. (C) Our contacts and other observers have also been split on the impact and implications of the decision on the North Caucasus region as a whole. Over the past year the level of violence, potential for political instability and broader concerns for Moscow's regional interests in Dagestan and Ingushetiya, not Chechnya, have required intervention from Moscow. Notwithstanding the April 23 violence in Chechnya,

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leaders of neighboring regions could draw the conclusion that only thanks to Moscow's strong, sustained financial, political and security support has the situation in Chechnya stabilized. Kadyrov is now in a position to use his commanding position to improve the well-being of average Chechens and thereby remove another source of potential instability.

## Comment

110. (C) More broadly, the implications of ending the KTO on Chechnya's future relations with Moscow and with foreign partners are far reaching. For example, Chechen youth have not been called up to Russian federal military service for over a decade. Now that KTO is over, will they? If so, will they go? Will foreign Islamic partners use Chechnya's desire for close commercial cooperation to advance their religious agendas, something that has already prompted Russia's security services to intensify monitoring? For Kadyrov, handling these issues will be more complicated and demanding than overseeing security operations. The new political and security environment will test his leadership skills and give Moscow, should it choose to develop and exploit them, opportunities to employ softer power to keep Chechnya, and other regions, in line.